

Mid-Week Markets Recap: March 11, 2026

Key Takeaways

- Fed policy remains unclear amid conflicting economic signals
 - The U.S. is forced into tapping into its strategic reserves and lifting Russian sanctions in order to combat rising oil prices
 - Metals fall as the dollar appreciates due to the conflict in Iran
 - Hims and Hers and Novo Nordisk enter into a partnership, signaling a stark change within Pharmaceuticals
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Despite Cooling Inflation, The Fed's Path Still Remains Unclear

“The future of Fed policy remains unclear amid heightened inflationary expectations”

On Wednesday, the Bureau of Labor Statistics released its highly anticipated Consumer Price Index report, as investors searched for signals that could shed light on potential future monetary policy decisions. Headline CPI, which includes food and energy, rose 2.4% on an annual basis for the twelve months ending in February, unchanged from January. Core CPI, which excludes food and energy, rose 2.5%, also the same as reported in January.

While the report signals the continuation of cooling inflation previously seen in January, investors continue to remain concerned. The caveat surrounding this month's release is that it presents data prior to the conflict in Iran which has contributed to significantly higher gas prices and overall inflationary expectations. Attention has increasingly been shifted towards next month's release as it will account for the current volatility being experienced within energy prices and the broader implications that it would have on prices across the board.

Last week, the BLS had also released its monthly jobs report, which investors were also highly anticipating. Last month's report had signaled resilience in the underlying labor market, with 130,000 jobs having been added for the month of January. While the labor market was not expected to maintain this pace, economists still anticipated continued job growth. However, this month's report showed a sharp turnaround, with the economy actually losing 92,000 jobs in February. This report also revised the figures reported in January down to 126,000 from 130,000. Despite the labor market showing signs of slowing down, and inflation inching closer to the Fed's 2% target, monetary policy decisions still remain unclear. The conflict in Iran has introduced additional uncertainty, even causing some who previously advocated for rate cuts to shift their outlook. Focus has now shifted to how long the conflict may last and how significantly it

could affect prices going forward. The Federal Reserve is effectively walking a tightrope, and this is a reality investors are increasingly beginning to acknowledge.

Drastic Times Call for Drastic Measures

“The latest episode of surging oil prices saw the U.S. utilize its strategic petroleum reserves alongside lifting Russian sanctions”

The conflict with Iran continues on, and alongside it oil prices have continued to remain elevated. The Strait of Hormuz, a major shipping route of many Middle Eastern oil producers, remains closed, and comments made by Mojtaba Khamane, Iran’s new supreme leader, that vow to keep it closed have further amplified investor concerns.

In response, oil prices have surged after markets have started to price the potential longevity of this supply chain disruption. In order to dampen nationwide concern, the Trump administration had taken drastic measures. The first of which was tapping into the Strategic Petroleum Reserves and implementing the release of 172 million barrels of oil. Prior to this announcement, the U.S. had 415 million barrels in its reserve, around 58% of its total capacity of 714 million barrels. The IEA (International Energy Agency) had also agreed to release 400 million barrels of oil to its constituents around this time as well.

Alongside this the Trump Administration has also temporarily lifted its sanctions on Russian oil until April 11th. Despite this and the release of oil from the Strategic Reserve, energy prices remain elevated. This price action has continued to weigh down on equities as investors remain concerned about the broader implications elevated oil prices can have on supply chains worldwide and how this would impact consumer behavior and corporate margins. As the war goes on these concerns remain prevalent, and any potential signs of the prolonging of this conflict would further amplify the downwards pressure currently being seen. Sectors such as airlines, logistics, and consumer discretionary may continue to see this contractionary movement, while energy producers and defense stocks are set to potentially benefit due to their favorable positions during this ongoing geopolitical conflict.

Metals Continue to Drop Amid Surging Oil Prices

“Elevated inflationary expectations contribute to a stronger dollar, while pushing metals down”

As the price of oil continues to surge, investor concerns surrounding inflationary pressures remain elevated. What’s primarily driven this surge in prices has been the closure of the Strait of Hormuz, a shipping lane through which 20% of the world’s daily oil supply used to flow through. Due to this closure many Asian countries such as China and India who had received oil through this passage have now been left stranded. This has redirected their demand towards U.S. produced oil which has significantly contributed to the price action seen these past two weeks.

What makes the dynamics surrounding oil so unique is that any changes experienced within this commodity can have a magnified impact. When the price of oil goes up it directly impacts items many use in their day-to-day lives. Utilities such as heating and gas become more expensive, fuel prices rise, transportation costs increase, and the cost of producing everyday goods also climbs. This ultimately leads to the potential diminishment of the spending power of consumers which ultimately leads to them demanding higher wages. This wage rise is then, theoretically, met with higher prices on the supplier end. In practice, while this may not be as straightforward, these factors are still heavily baked into economist expectations surrounding oil's potential impact on inflation.

It is with these heightened expectations surrounding inflationary pressures that metals such as gold and silver have seen their decline. Markets are starting to price in the notion that the Fed will maintain its current "higher-for-longer" rates policy due to renewed expectations price activity within the nation. This shift in sentiment has contributed to a stronger dollar as well as the rise of two-year and ten-year treasuries. Metals, which are non-yielding assets, tend to perform strongly in easing macro environments in which rates remain compressed. On the other hand, in environments where there is a much more restrictive undertone, and rates either remain or are perceived to remain elevated, the value of metals fall due to their non-yielding status. Moving forward, attention should remain on how long this conflict lasts and what it means not only for inflation, but also for Fed policy. How the Fed moves forward in the current environment is significant, as policy decisions in either direction could have a major impact across asset classes.

Hims & Hers and Novo Nordisk enter into a Partnership

"Despite initial turbulence, Hims and Novo have announced plans to enter into a strategic partnership"

It was only a month ago that Novo Nordisk had threatened to sue Hims and Hers after they had announced plans to sell a copycat version of Novo's Wegovy pill. At one point the FDA had also been involved, but these efforts came to a halt after Hims vocalized its plans to scrap its copycat version.

This past week, however, this relationship experienced a complete turnaround. In a move that took investors by surprise, Hims had announced that it had entered into an agreement with Novo Nordisk in which it would sell the latter's Ozempic and Wegovy pills on its platform. As a part of this agreement Hims would no longer advertise its compounded GLP-1 offerings and would push existing customers to FDA-approved versions. However, it had noted that for certain customers whose needs cannot be met with clinically approved GLP-1s, they would still be given access to compounded versions if the patient's provider determines that it is necessary.

Overall, this partnership benefits both companies strategically. For Hims, this agreement provides access to branded GLP-1 treatments that have seen surging demand, strengthening its telehealth platform with the potential for higher customer engagement. For Novo, this partnership allows for an expansion of its distribution capabilities through an already well-developed platform.

Following the announcement, Hims shares surged in its pre-market trading session with shares rising as high as 50%. Analysts had revised earnings expectations and price targets after the news had broken through as well. This next step signals a significant change in the pharmaceutical industry that markets are beginning to price in. The first two months of this year were classified by a divisive attitude amongst competitors, especially between Hims and Novo. This recent agreement, however, signals a sharp reversal in this trend, and potentially opens the door for other companies to do the same. Moving forward, emphasis needs to be placed on how this agreement performs in the long term, and whether or not it will come to serve as a blueprint for those around them to follow as time goes on.